

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 02122 261536Z

21

ACTION EB-07

INFO OCT-01 AF-06 ARA-06 EA-06 EUR-12 NEA-09 IO-10 ISO-00

FEA-01 AGR-05 CEA-01 CIAE-00 COME-00 DODE-00 FRB-03

H-02 INR-07 INT-05 L-02 LAB-04 NSAE-00 NSC-05 PA-01

AID-05 CIEP-01 SS-15 STR-04 TAR-01 TRSE-00 USIA-06

PRS-01 SP-02 OMB-01 /129 W

----- 112452

R 261505Z MAR 75

FM USMISSION GENEVA

TO SECSTATE WASHDC 1678

INFO AMEMBASSY ANKARA

AMEMBASSY CANBERRA

AMEMBASSY HELSINKI

AMEMBASSY LONDON

AMEMBASSY NEW DELHI

AMEMBASSY OTTAWA

AMEMBASSY ROME

AMEMBASSY TOKYO

AMEMBASSY WELLINGTON

USEC BRUSSELS 4457

USMISSION OECD PARIS

LIMITED OFFICIAL USE GENEVA 2122

E.O. 11652: N/A

TAGS: GATT, ETRD

SUBJECT: GATT COUNCIL 24 MARCH

REF: STATE 64708

1. SUMMARY. AUSTRALIA IMPORT RESTRICTIONS CRITICIZED IN
COUNCIL; AUSTRALIA PLACED BALME ON FOREIGN IMPORT BARRIERS.

FINLAND RESTRICTIONS REGRETTEED BY MANY AND REFERRED TO
BOP COMMITTEE. U.S. AGRICULUTURAL WAIVER AND PROPOSED UK

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 02122 261536Z

EXPORT INSURANCE SCHEME CAME UNDER FIRE. END SUMMARY.

2. EC-CANADA XXIV:6 SETTLEMENT. EC MADE NO RPT NO REFERENCE TO PAYMENT ALL DEBTS (REFTEL, PARA 1). TIME LIMIT EXTENTION THUS AGREED WITHOUT DISCUSSION.

3. INDIA WAIVER EXTENSION. INDIA SAID SPECIAL CIRCUMSTANCES OF LAST YEAR WERE AGGRAVATED BY INFLATION AND DROUGHT, BUDGET DEFICIT EXPECTED DOUBLE TO 6 BILLION RUPEES, ASKED EXTENSION TO 30 JUNE, 1976. US SAID MEASURE COMPLICATES ALREADY COMPLEX IMPORT SYSTEM, HOPED IT WOULD END IN 1976. NO DISSENT ON WAIVER EXTENSION WAS VOICED IN COUNCIL, US VOTED FOR.

4. AUSTRALIAN TQS ON TEXTILES. SEPTTEL.

5. TEXTILES COMMITTEE REPORT. D.G. LONG GAVE SUMMARY. JAPAN SAID ALL TEXTILE INDUSTRIES SUBJECTED TO GROWING PRESSURE, THUS ALL COUNTRIES SHOULD ACT IN ACCORDANCE WITH PROVISIONS MFA, "ESPECIALLY ART. 2" (THIS WAS SHOT AT ECS GLACIAL PROGRESS AT BRINGING PREEXISTING EC TEXTILE RESTRAINTS INTO CONSONANCE WITH MFA.) REPORT ADOPTED.

6. ITC REPORT. JAG CHAIRMAN MOEREL GAVE SUMMARY, SAID HE COULDN'T WORK OUT TECHCOM MEMEBERSHIP AND WOULD ASK TDB RELEIVE HIM OF HIS MANDATE. CUBA SAID TECHCOM SHOULD HAVE SOME SYSTEM OF ROTATION. COUNCIL APPROVED JAG WORK PROGRAM AND ADOPTED REPORT.

7. AUSTRALIAN ARTICLE XIX ACTION ON STEEL. US REGRETTED MOVE AND REQUESTED CONSULTATIONS. JAPAN NOTED DANGER OF WORLD PROLIFERATION TRADE RESTRICTIONS AND ASKED CONSULT ON STEEL. JAPAN SAID ONE-FOURTH OF OWN EXPORTS TO AUSTRALIA NOW RESTRICTED; UNLESS IMPROVEMENT COMES ABOUT, JAPAN MIGHT BE FORCED ASK FOR WP TO EXAMINE FULL RANGE OF NEW AUSTRALIAN RESTRICTIONS. AUSTRALIA SAID STEEL RESTRICTIONS TEMPORARY, SAID WP ON GENRAL UASTRALINA RESTRICTIONS MIGHT OPEN UP AVENUES OF INQUIRY WHICH GO BEYOND AUSTRALIA AND WONDERED WHETHER OTHERS WOULD WANT THAT. COUNCIL TOOK NOTE OF STATEMENTS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 02122 261536Z

8. U.S. AGRICULTURAL WAIVER. NEW ZEALAND SAID THIS WAS "UNHAPPY 20TH ANNIVERSARY" OF U.S. WAIVER. ADMITTED SITUATION HAS IMPROVED, THERE NO LONGER THREAT OF U.S. SUBSIDIZED EXPORTS, ALTHOUGH UNCERTAINTY REMAINS. CALLED ATTENTION TO U.S. REPORT L/4148, PAGE 11, LAST PARA ON DAIRY SURPLUSES; SAID NEW ZEALAND PRODUCES NO SURPLUS, ONLY NORMAL TRADE, SINCE THEY COMPETITIVE AND DO NOT SUBSIDIZE. SAID MTN WILL ADDRESS MATTER. AUSTRALIA

SAID OTHERS TALK OF AUSTRALIAN RESTRICTIONS WHILE THEY IMPOSE RESTRICTIONS ON AGRICULTURAL PRODUCTS. AUSTRALIA CONCERNED ABOUT CONTINUATION OF U.S. GATT WAIVER. AUSTRALIA RECALLED OWN PREVIOUS STATEMENT ABOUT CHANGES IN US 1973 CONSUMER PROTECTION ACT (GENEVA 7135), SAID THIS MIGHT INCREASE PROTECTIONISM, SAID "WE WOULD LIKE A COMMENT FROM THE U.S. ON THIS." SAID NEW EVENTS ON COUNTERVAILING DUTIES CAST SPOTLIGHT ON PARAGRAPH ABOUT SURPLUSES ON PAGE 11 REFERRED TO BY NEW ZEALAND, HOPED DISCRETION ON COUNTERVAILING DUTIES CONTAINED U.S. TRADE LAW WOULD BE USED. U.S. SAID WE WOULD REPORT COMMENTS OF OTHERS AND SEEK ANSWER TO ABOVE AUSTRALIAN QUESTION ABOUT 1973 ACT. WE CITED RECENT U.S. LIBERALIZING ACTIONS ON WHEAT AND DAIRY PRODUCTS AND INTERNATIONAL TRADE COMMISSION RECOMMENDATION SUSPEND QUOTAS ON COTTON AND COTTON PRODUCTS AND NOTED ONLY COTTON, PEANUTS, DAIRY PRODUCTS NOW SUBJECT TO SECTION 22 IMPORT RESTRICTIONS. U.S. SAID THESE UNDOUBTEDLY WILL BE SUBJECT NEGOTIATIONS MTN, AS WILL SUBSIDIES AND COUNTERVAILING DUTIES. AUSTRALIA SAID THEY "NOT ENTHUSIASTIC" RE PROSPECTS U.S. WAIVER MIGHT BE NEGOTIABLE, AS IT SHOULD BE REMOVED AUTOMATICALLY. COUNCIL TOOK NOTE OF REPORT. ACTION REQUIRED: ANSWER TO AUSTRALIAN QUESTION ABOVE.

9. U.S. AUTO WAIVER. COUNCIL TOOK NOTE OF REPORT; THIS CONSTITUTED CARRYING OUT 4TH BIENNIAL REVIEW.

10. EC-MOROCCO/TUNISIA REPORT. COUNCIL TOOK NOTE.

11. FINLAND RESTRICTIONS. UNDER OTHER BUSINESS, FINLAND SAID MEASURE WAS EFFECTIVE MARCH 24 AND LIST OF AFFECTED GOODS BEING NOTIFIED. JAPAN, U.S. REGRETTE MOVE, NOTED DANGER PROLIFERATION OF RESTRICTIONS, HOPED FOR LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 GENEVA 02122 261536Z

EARLY ELIMINATION, AND SAID BOP COMMITTEE SHOULD REVIEW ACTION. EC, SWEDEN, AUSTRIA MADE SIMILAR STATEMENTS. SWITZERLAND WENT TO SOME LENGTH TO DEPLORE MOVE. COUNCIL REFERRED TO BOP COMMITTEE FOR EXAMINATION.

12. TURKISH STAMP DUTY. TURKEY (UNDER OTHER BUSINESS) SAID DUTY EXPIRES JUNE 30, 1975, BUT THEY SEEK EXTENSION TO END OF 3RD 5-YR DEVELOPMENT PLAN (I.E., END 1977) AND WILLING SUBMIT TO BOP COMMITTEE EXAMINATION IN APRIL. COUNCIL TOOK NOTE AND REFERRED TO BOP COMMITTEE.

13. LOME CONVENTION. UNDER OTHER BUSINESS, EC SAID CONVENTION SIGNED 28 FEBRUARY IS CONTINUATION OF HISTORICAL TRADE TIES BUT ALSO NEW MODEL FOR TRADE AND AID BETWEEN DCS AND LDCS. COVERS INDUSTRIAL DEVELOPMENT,

AID, STABILITY OF PRIMARY PRODUCT EARNINGS, PROVIDES VIRTUALLY FREE IMPORTS INTO EC. JULY 1 IS TARGET FOR FULL RATIFICATION BY PARLIAMENTS, UNTIL WHICH TIME STATUS QUO IN EFFECT. EC SAID THEY WILL NOTIFY TEXTS, WILLING PARTICIPATE IN ANY GATT EXAMINATION. U.S. RECALLED PAST OBJECTIONS REVERSE PREFERENCES AND SAID WE PLEASED SAME NOT INVOLVED IN NEW AGREEMENTS, SAID WE APPRECIATE EC SILLINGNESS PARTICIPATE IN GATT EXAMINATION AND WANT TO JOIN EXAMINATION. NORWAY, JAPAN MADE SIMILAR STATEMENTS. COUNCIL TO REVERT TO MATTER WHEN TEXTS AVAILABLE.

14. ITALIAN PRIOR IMPORT DEPOSITS. UNDER OTHER BUSINESS, AND TO SWEET MUSIC OF MUCH PRAISE, EC CONFIRMED DEPOSIT REQUIREMENT TERMINATED MARCH 24.

15. AUSTRALIA TRADE POLICY, U.K. EXPORT INSURANCE SCHEME, AND MAJOR TRADE POLICY DEVELOPMENTS. UNDER OTHER BUSINESS, U.S. EXPRESSED CONCERN PER STATE 56879 AND 55008. U.S. CITED ABOVE-EXPRESSED CONCERN ON AUSTRALIAN RESTRICTIONS ON STEEL AND TEXTILES AND SAID THESE PLUS ACTION ON AUTOS, TIRES, APPLIANCES AND POSSIBLY MORE TO COME GENERATE CONCERN OVER APPARENT NEW TURN IS AUSTRALIAN TRADE POLICY AND EXTREMELY SERIOUS EFFORT TO SHIFT PROBLEMS TO OTHERS. SAID THIS WILL AGGRAVATE CURRENT WORLD ECONOMIC DIFFICULTIES AND LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 GENEVA 02122 261536Z

INHIBIT MTN; TIMING IS PARTICULARLY UNFORTUNATE. ASKED ASSURANCES MEASURES ARE TEMPORARY AND DO NOT PORTEND BASIC CHANGE IN UASTRALIAN POLICIES. TOOK NOTE OF JAPANESE COMMENT ABOUT POSSIBLE WP (PARA 7 ABOVE) AND SUPPORTED. U.S. ALSO REFERRED TO CONCERN WE HAD JUST EXPRESSED OVER NEW FINNISH RESTRICTIONS (PARA 11 ABOVE) AND STATED MISGIVINGS ABOUT PROPOSED U.K. EXPORT INSURANCE SCHEME (SEE GENEVA 2050), SAID ALL OF THESE ACTIONS THREATEN UNDERMINE PAST GAINS MADE TO LIBERALIZE TRADE, AND NOTED MANY DELS EXPRESSED SIMILAR VIEWS UNDER PREVIOUS AGENDA ITEMS. AUSTRALIA SAID CHAIN REACTION CAN RPT CAN BE SEEN AS BACKGROUND, AS THEY FACED WITH MEAT EMBARGOES IN TWO MARKETS. SAID CHAIN MUST BE EXAMINED AT BEGINNING, NOT AT POINT WHICH MIGHT BE CONVENIENT. SAID OWN MEASURES SMALL IN SCOPE, SHORT-TERM AND TEMPORARY, AND ONLY EMERGENCY STEPS: IMPORTS HAVE GROWN AT "FANTASTIC RATE." SAID AUSTRALIA STILL LIBERAL IMPORTERS, ONLY OWN 1974 IMPORTS GREW FASTER THAN IN U.S., JAPAN, OECD AVERAGE, BOTH IN PRICE AND VOLUME.

16. NOTE: D.G. LONG'S PROPOSALS ON GATT STAFF

REMUNERATION WERE NOT INTRODUCED AND DATE FOR
THEIR CONSIDERATION NOT YET SET. DALE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, EXPORT QUOTAS, IMPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 26 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975GENEVA02122
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750106-0776
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750315/aaaaamtl.tel
Line Count: 225
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 64708
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 15 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15 APR 2003 by ShawDG>; APPROVED <20 MAY 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GATT COUNCIL 24 MARCH
TAGS: ETRD, GATT
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006